

Time Allocation for Bill C-11

received their education. And they cannot find a job! There are opportunities wasted. There are mayors and reeves, people all over Canada who are concerned about the economic matters facing this country. They have asked this parliament to deal with them. That is why we came here. They have asked this government to deal with them, and when we have tried to advise the government, they decide that we cannot deal with the problem at all. They say, "We are not going to allow you to discuss it. In a short period of time debate is going to be cut off". Mr. Speaker, if that is the attitude of the government, then it has befuddled this chamber with that attitude and it will hear from the Canadian people at the next opportunity.

Some hon. Members: Hear, hear!

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I rise to support the House leader of the Conservative party in his arguments against this motion which the deputy House leader has introduced.

● (1602)

Mr. Speaker, to oppose this motion one has to deal with the substance of the bill and argue, as did the House leader of the Conservative party, that a bill of some 200 pages brought before the country at a time when there are one million people unemployed—a bill that has as its stated purpose job creation—requires more discussion than we have given it. I say this in view of the glaring and, to us if not to the government, obvious injustices and banalities of the bill. I want to deal with that point as the central point of my remarks opposing this closure motion.

This bill is supposed to deal with job creation. That is what the tax measures are all about. The evidence, however, is overwhelming that this government and the two previous ministers of finance, going back to John Turner in 1974, have said that the way to produce jobs in Canada is to give out, in an indiscriminate way, tax concessions to the corporate sector and hope that spreading around billions of dollars to corporations will translate into jobs being created.

The argument against this approach is not an ideological one to the effect that there should not be a tax policy for the corporate sector. Of course, any mixed economy must have a tax policy that is relevant to the corporate sector that is interested in job creation, particularly when there is high unemployment. I say, however, that this is the wrong tax policy if the purpose is to create jobs. The best evidence of the glaring inadequacy of this package of proposals is to be found in the report of the Department of Industry, Trade and Commerce last week pertaining to the findings on the investment intentions for next year of the 300 largest corporations in Canada.

If the arguments the government made when they introduced these measures last March were sound, and were when the Minister of Finance (Mr. Chrétien) trotted them out again last fall, we would instead have these 300 corporations announcing an intention to extend their investment considerably. A tax proposal that has as its purpose the stimulation of

jobs and new investment should be able to bring that about. This report, which I think is the most disturbing document to come out in recent weeks, was unfortunately buried in the financial pages of the press. That is often where we find out what is really happening in the country. It indicated that the investment intentions of these large corporations for next year showed an increase of only 6.4 per cent over this year.

One might say that is not so bad, because it is an increase. These companies, of course, consider the rate of inflation when making their investment plans, so what we have is really a negative factor. There is going to be less investment in the Canadian economy in 1978 than there was in 1977. That is very serious indeed. It confirms the point I have made on behalf of my party, and which other people have made in this House and outside it for many weeks, that things are going to be worse next year in terms of job creation. There could be no more serious indictment of this bill than the alarming fact that investment in Canada next year will expand by only 6.4 per cent. Most of us assume that inflation will be at least 8 per cent, and even if it is down to 7 per cent it will eat up the expansion of these companies, when expressed in real dollars.

These give-aways to the corporations do not necessarily lead to expansion, and I do not blame them. If there is a fall-off in demand, businessmen are not going to overexpand their production facilities and shoulder the cost of keeping them up if it just means more unused capacity. If industry is operating at only 83 per cent capacity, as is presently the case, corporations will not, naturally, be willing to expand further. When we have 28 per cent unused capacity, it makes no economic sense to expand. That is not criticism of the corporations. They know what they are doing. It is the government that does not know what it is doing. It is giving away the people's money in a futile cause.

Not only is industry not expanding next year, but in fact it is contracting. I should like to put on the record some information about the companies which will benefit from this \$1.2 billion tax package the government has introduced. Out of this tax proposal that is supposed to create jobs, Alcan will receive a tax credit of \$4.5 million. Meanwhile, they are laying people off, the most recent case being 170 workers at St. Lawrence, Newfoundland, in a mine that is being shut down, not because it was losing money but because the corporation could make more money using some other facility elsewhere in the world.

Canadian General Electric will receive a tax credit of \$2.5 million. They already owe the government some \$11 million in deferred taxes which has not been paid. They have not created more jobs, but in Peterborough have laid off 2,000 employees. Northern Telecom owes the government \$41 million in deferred taxes and will receive \$2 million as a tax credit through this bill. It has laid off 2,000 workers at Bramalea, Ontario. Falconbridge owes the government \$34 million in deferred taxes, and through this bill will receive \$2 million in tax credits. They are laying off 4,000 employees on a temporary basis, and 500 on a permanent basis.

That is how four companies have responded to this tax bill—not by job creation but by laying off about 8,000

[Mr. Baker (Grenville-Carleton).]